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Congress of the United States House of Representatives

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September 18, 2007

CHAIRMAN, SUBCOMMITTEE ON DOMESTIC POLICY

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

COMMITTEE ON EDUCATION AND LABOR

The Honorable Condoleezza Rice Secretary of State U.S. Department of State 2201 C Street, NW Washington, DC 20520

Dear Secretary Rice:

To assure the national security of the U.S. and Iraq I urge an immediate investigation into Hunt Oil Company's recent production sharing agreement for petroleum exploration with Kurdistan. The Iraq Central Government reportedly considers this agreement illegitimate. As such, a thorough investigation assessing the threat posed by the agreement to U.S. and Iraqi national security interests should be conducted promptly.

The Constitution of Iraq designates that the oil of Iraq is the property of all Iraqi people. Thus, it is unsurprising that the Iraqi Central Government believes that the oil production sharing agreement between Hunt Oil Company and the Kurdistan Regional Government (KRG) is illegal. The agreement is reportedly based on oil law passed by the KRG and is the subject of much legal debate. The lack of consensus on how to manage the Iraqi oil resources suggest that the Hunt Oil Company deal could lead to greater instability within Iraq.

As you are undoubtedly aware, the contract between Hunt Oil and the KRG would be the first of its kind in the Middle East where oil has been nationalized for decades. Foreign oil companies have had no presence in the Middle East for decades. The legality of this matter is of obvious importance to the people of Iraq who have a constitutional right to the oil resources of Iraq.

Furthermore, close ties between Hunt Oil Company and the Administration's top officials coupled with this precedent setting agreement appears morally debased. The following will assist in clarifying this connection: Ray Hunt, CEO of Hunt Oil Company, was twice appointed to a seat on the President's Foreign Intelligence Advisory Board (PFIAB)¹. Mr. Hunt raised campaign funds for President George H.W. and George W. Bush. He also personally donated \$20,000 to the Republican National Committee's

¹ Bryce. Top Secret Cronies. Salon.com. November 5, 2005

Victory Fund for the current President Bush². Ray Hunt gave \$100,000 toward the 2001 Bush inaugural festivities and one of his corporations, Hunt Consolidated, gave another \$250,000 toward the Bush 2005 presidential inaugural gala³. In addition, Ray Hunt donated \$35 million toward the Bush library/think tank to secure additional property for the project⁴.

This unmatched deal struck by the Hunt Oil Company coupled with the company's ties to the administration could be viewed as hostile to the interests of Iraq amidst growing knowledge of Iraqi opposition to privatization and sale of Iraq's national oil reserves.

Your investigation should address how the agreement will affect Iraqi public sentiment toward the Iraqi and U.S. governments, insurgent efforts, the stability of Iraq and the stated goals of U.S. policy to bring peace and stability to the region.

I look forward to your timely response and the conclusions of your investigation.

Sincerely,

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Dennis J. Kucinich Member of Congress

² Public Integrity. Windfalls of War. Kellogg, Brown & Root (Halliburton). Laura Peterson

³ Public Citizen's Congress Watch. Bush's 2005 inauguration celebration: Brought to you by corporate America

⁴ Schutze. SMU's shame: Even people who like the President shouldn't want his library here. *Dallas Observer*, March 16, 2006.